Form (2) Sr. No. 1435 Dated 28.11.97

The Myanmar Investment Commission

PERMIT

Permit No. 295 /97 Date 28th NOVEMBER 1997

The Myanmar Investment Commission issues this Permit under Section 10 of the Union of Myanmar Foreign Investment Law -

(a) Name of Promoter MR. DONG GIL SHIN

(b) Citizenship KOREAN

(c) Address 104-606/58 CHUL SAN-DONG, KWANG MYUNG CITY, REPUBLIC OF KOREA

(d) Name and address of principal organization GLOBAL YES CO., LTD. SEOUL, KOREA

(e) Place of incorporation KOREA

(f) Type of business in which investment is to be made MANUFACTURING AND MARKETING OF TEXTILE GARMENTS

(g) Place (s) at which investment is permitted PLOT NO.91, SOUTH DAGON INDUSTRIAL ZONE PART

(h) Amount of foreign capital US$ 7.0 MILLION

(i) Period for bringing in foreign capital WITHIN 12 MONTHS FROM THE DATE OF SIGNING OF THE E AGREEMENT

(j) Total amount of capital (Kyat) 44.20 MILLION (KYAT FORTY FOUR MILLION TWO HUNDRED THOUSAND ONLY)

(k) Permitted duration of investment 25 YEARS

(l) Name of the economic organization to be fo. Myanmar MYANMAR GLOGON COMPANY LIMITED

Chairman

The Myanmar Investment

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
စာအမှတ် ၁၄၃၅
နေ့စွဲ ၂၈.၁၁.၉၇

မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

ခွင့် ပြု မိန့်

ခွင့်ပြုမိန့်အမှတ် ၂၉၇/၉၇ ၁၉၉၇ ခုနှစ်၊ နိုဝင်ဘာ လ ၂၆ ရက်။

ပြည်ထောင်စုမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ ၁၀ အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည် -

(က) ကမကထပြုသူ၏အမည် MR. DONG GIL SHIN

(ခ) မည်သည့်နိုင်ငံသား KOREAN

(ဂ) နေရပ်လိပ်စာ 104-606/58 CHUL SAN-DONG, KWANG MYUNG CITY, REPUBLIC OF KOREA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ GLOBAL YES CO., LTD. SEOUL, KOREA

(င) ဖွဲ့စည်းရာအရပ် KOREA

(စ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်မည့်လုပ်ငန်းအမျိုးအစား အထည်ချုပ်လုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံမှုပြုလုပ်ခွင့်ပြုသည့်အရပ်ဒေသ(များ) အကွက်အမှတ် (၉၁)၊ တောင်ဒဂုံစက်မှုဇုန်

(ဇ) နိုင်ငံခြားမတ ရင်း အမေရိကန်ဒေါ်လာ ၁၇.၀ သန်း

(ဈ) နိုင်ငံခြားမတ ရင်းယူဆောင်လာရမည့်ကာလ စာချုပ်ချုပ်ဆိုပြီး (၁၂) လအတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်း ပမာဏ(ကျပ်) ၄၄.၂၀ သန်း (ကျပ် လေးဆယ့်လေးသန်း၊ နှစ်သိန်း တိတိ)

(ဋ) ရင်းနှီးမြှုပ်ႏ ည့်သက်တမ်း ၂၅ နှစ်

(ဌ) မြန်မာနိုင်ငံတွ စည်းမည့် စီးပွားရေးအဖွဲ့အစည်းအမည် ANMAR ON COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

GOVERNMENT OF THE UNION OF MYANMAR

MYANMAR INVESTMENT COMMISSION

653 / 691, Merchant Street, Yangon.

Our ref : Ya Ka-1/435/97(1435)
Dated : 28 November, 1997.

Tel : 272219, 272855
Fax : 095-01-282101

Subject : Decision of the Myanmar Investment Commission on the Proposal for "Manufacturing and Marketing of Textile Garments" under the name of "Myanmar Glogon Company Limited".

Reference: Ministry of Construction letter No. 30/Khwe-3/97(C-2738) dated 29-10-97.

1. The Myanmar Investment Commission, at its meeting 18/97 held on 7-11-97 had reviewed the proposal for investment in "Manufacturing and Marketing of Textile Garments" under the name of "Myanmar Glogon Company Limited" submitted as a Joint Venture between Khine Myanmar Win Enterprise Co., Ltd. and Global Yes Co., Ltd. of Korea. After careful review, it was deliberated that the proposed project be approved in principle for implementation and the proposal be submitted to the Cabinet meeting for final approval.

2. The Cabinet, at its meeting 39/97 held on 20-11-97 resolve[illegible] ermit the implement[illegible] the said project. Hence, the "Permit" is herewith issued in accordan[illegible] Chapter VI, Sectio[illegible] the Union of Myanmar Foreign Investment Law and Chapter VI, Rule 13 of the Procedures relatin[illegible] the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 25(Twenty F[illegible] s from the date of sign[illegible] of the Lease Agreement and extendible for another two 5(Five) yea[illegible] rms upon mut[illegible] between Department of Human Settlement and Housing Developm[illegible] Myanma[illegible] gon Compan[illegible] Limited. At the end of the leased period, Myanmar Glogon Co[illegible] and the immovable properties to the Department of [illegible] and Housing within 3(three) months in good condition, ground damages having been refilled or re[illegible]

4. Global Yes Co., Ltd. shall provide a Performance Bank Guarantee to t[illegible] 200,000 (United Stated Dollars Two Hundreds Thousand Only) in favour o[illegible]

Human Settlement and Housing Development within 30(Thirty) days after the signing of the Lease Agreement.

5. Myanmar Glogon Company Limited shall pay 2(Two) percent of audited net profit as a Commission fees to the Department of Human Settlement and Housing Development.

6. The annual rent shall be US $ 3(United States Dollars Three Only) per square metre per annum for the project area (8093.72 square metre) to the amount of US $ 24281.16 (United States Dollars Twenty Four Thousand Two Hundred Eighty One and Sixteen Cent Only). The rent shall be reviewed every 5(Five) years and the increase of the rent shall not be more than 15 (Fifteen) percent of the preceding annual rent.

7. Myanmar Glogon Company Limited shall pay for maintenance of the Industrial Zone management fee as prescribed by the Management Committee of the Industrial Zone.

8. In issuing this "Permit" the Commission has granted the following exemptions and reliefs:

(a) As per Section-21(a), exemption from income-tax up to three consecutive years from the year of commencement of commercial operation.

(b) As per Section-21(b), regarding exemption from income-tax on profits of the business if they are maintained in a reserve fund and re-invested therein within one year after reserve is made, Myanmar Glogon Company Limited shall apply for such exemption after 3-year tax holiday period.

(c) As per Section-21(c), Myanmar Glogon Company Limited shall be granted to accele[illegible] depreciation in respect of machinery, equipment, building or other capital assets used the business to the extent of the original value for the purpose of income-tax assessme[illegible] However, Myanmar Glogon Company Limited shall h[illegible] ply to the Commissi[illegible] such rates of depreciation.

(d) As per Section-21(d), relief from income-tax up to 50 [illegible] nt on pr[illegible] accrued from exports, such relief has to be applied, upon actual [illegible] holiday period.

(e) As per Section-21(e), Myanmar Glogon Compa[illegible] ited shall have [illegible] income-tax payable to the State on behalf of foreigners who have come [illegible] are employed in the enterprise and the right to deduct such payment [illegible] income.

(f) As per Section-21(f), the Commission has also approved the right to pay income-tax on the income of the above-mentioned foreigners at the rates applicable to the citizens residing within the country.

(g) As per Section-21(g), regarding the right to deduct from the assessable income such expenses incurred in respect of research and development relating to the enterprise which are actually required and are carried out within the State, Myanmar Glogon Company Limited. shall apply, upon actual performance of such research and development programme, only after 3-year tax holiday period.

(h) As per Section-21(h), regarding right to carry forward and set-off up to three consecutive years from the year the loss is sustained following the enjoyment of exemption from income-tax, Myanmar Glogon Company Limited shall file the case, if any, to the Ministry of Finance and Revenue in accordance with Section-4 of the Income Tax Amendment Law, 1991.

(i) As per Section-21(i), exemption from customs duty and all other internal taxes on machinery, equipment, instruments, machinery components, spare parts and materials used in the business, which are imported as they are actually required for use during the period of construction.

(j) As per Section-21(j), exemption from customs duty and all other internal taxes on such raw materials and additional import of machinery, equipment and spare parts which are actually required for operation of the business shall be granted within three ye commercial operation following the period of constructi However, such import be subject to the approval endorsed by the Ministry of C ction.

9. Global Yes Co., Ltd. shall have to sign Joint Venture Agreement with Khine Myanmar V Enterprise Co., Ltd.. Myanmar Glogon Company Limited shall also have to sign the Lease Agreeme with the Department of Human Settlement and Housing Developme signing such agreemen (5) copies each of those shall have to be forwarded to the Commissio

10. Myanmar Glogon Company Limited, in consultation Administration, Directorate of Investment and Company Adn all have to b After registration, (5) copies each of Certificate of Incorpora and Memorandum Association shall have to be forwarded to the Commission.

11. Myanmar Glogon Company Limited shall use its best efforts for timely realization of works stated in the Proposal. If none of such works has been commenced within one year from the date of issue of this "Permit", it shall become null and void.

12. The official date of operation shall be reported to the Commission.

13. The Commission approves periodical appointments of foreign experts and technicians from abroad as per Proposal. Myanmar Glogon Company Limited shall have to consult with Directorate of Labour, Ministry of Labour for appointment of such foreign experts and technicians.

14. In order to evaluate foreign capital in terms of Kyats and for the purpose of its registration in accordance with the provision under Section-24 of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner.

(a) The amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened.

(b) The detailed lists of the type and value of foreign capital defined under Section-2(h) of the said Law, other than foreign currency, to the Chairman, Foreign Capital Evaluation Sub-Committee.

15. Whenever Myanmar Glogon Company Limited brings in foreign capital defined Section-2(h) of the Law, other than foreign currency in the manner stated in paragraph mentioned above, the Inspection Certificate endorsed and issued [illegible] internationally re[illegible] Inspection Firm with regard to quantity, quality and price of imported materials shall have t[illegible] attached.

16. After all types of foreign capital (foreign currency and o[illegible] of foreign capital) [illegible] been brought into Myanmar, a report shall have to be submitted t[illegible] Commission vide letter No. Na-Ya 9/101/92(416) dated 3-12-92 [Annexure(1)]

17. Myanmar Glogon Company Limited shall report to th[illegible] any alt[illegible] physical and financial plan of the project. Cost over-run, o[illegible] and above the ir[illegible] pledged in both local and foreign currency shall have to be reported as early as poss[illegible]

18. Myanmar Glogon Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. Hence, it shall observe the directive issued by the Commission vide letter No. Ya Ka-1/139/94 (0440) dated 30-6-94 [Annexure(2)] to undertake all proper treatment systems and other necessary environmental control systems.

19. Myanmar Glogon Company Limited shall follow the procedures prescribed by the Commission, vide letter No. Ya Ka-7/408/94 (0424) dated 29-6-94 [Annexure(3)] to expedite the clearance of imports of capital and inter-industry use goods brought in as capital investment and raw materials required during the initial 3-year operation period.

20. Myanmar Glogon Company Limited, in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter VIII, Rule 15 of the Procedures relating to the Union of Myanmar Foreign Investment Law.

By Order,

Brig.-Gen Maung Maung

Secretary

Mr. Dong Gil Shin

Global Yes Co., Ltd.

c/o Director General

Department of the Human Settlement and Housing Development

cc:
1. Office of the Chairman of State Peace and Developmen
2. Office of the State Peace and Development Council
3. Office of the Government of the Union of Myanmar
4. Ministry of National Planning and Economic Develo
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Construction
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs

10. Ministry of Immigration and Population
11. Ministry of Labour
12. Chairman, Committee for Assisting the Myanmar Investment Commission (Governor, Central Bank of Myanmar)
13. Chairman, Foreign Capital Evaluation Sub-Committee (Director General, Central Equipment Statistics and Inspection Department)
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Managing Director, Myanma Foreign Trade Bank
18. Managing Director, Myanma Investment and Commercial Bank
19. Managing Director, Myanma Insurance
20. Director General, Directorate of Trade
21. Director General, Immigration and Manpower Department
22. Director General, Directorate of Labour
23. Chairman, Union of Myanmar Chamber of Commerce and Industry